



PUBLIC NOTICE

Federal Communications Commission
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**COMMISSION SEEKS COMMENT ON APPLICATIONS OF COMCAST CORPORATION,
GENERAL ELECTRIC COMPANY, AND NBC UNIVERSAL, INC., TO ASSIGN AND
TRANSFER CONTROL OF FCC LICENSES**

MB Docket No. 10-56

Comments/Petitions Due: May 3, 2010

Responses to Comments/Oppositions to Petitions Due: June 2, 2010

Replies to Responses/Oppositions Due: June 17, 2010

On January 28, 2010, Comcast Corporation (“Comcast”), General Electric Company (“GE”), and NBC Universal, Inc., (“NBCU” and, together with Comcast and GE, the “Applicants”) jointly submitted applications to the Commission seeking consent to assign and transfer control of certain broadcast, broadcast auxiliary, satellite earth station, and private land mobile and private fixed microwave licenses to a new limited liability company that would constitute a joint venture of GE and Comcast (the “Joint Venture”).¹ On March 5, 2010, the Applicants filed an economists’ report entitled “Application of the Commission Staff Model of Vertical Foreclosure to the Proposed Comcast-NBCU Transaction,” which they have requested be considered as part of the Application. The proposed transaction would combine the broadcast, cable programming, motion picture studio, theme park, and online content businesses of NBCU with the cable programming and certain online content businesses of Comcast.² We seek comment from all interested persons to assist the Commission in its independent review of this proposed transaction. The details of the proposed transaction and the procedures on how to file petitions to deny and comments are set forth below.

¹ See 47 U.S.C. § 310(d); *Applications for Consent to the Transfer of Control of Licenses, General Electric Company, Transferor, to Comcast Corporation, Transferee, Applications and Public Interest Statement* (filed Jan. 28, 2010) (“Application”). A list of the licenses subject to the filed applications is set forth in the Attachment to this Public Notice.

² Application at 1.

DESCRIPTION OF THE PROPOSED TRANSACTION

GE, which is currently the majority owner of NBCU, would contribute all of NBCU's businesses to the Joint Venture.³ These businesses include NBCU's two broadcast television networks (NBC and Telemundo), its 26 local owned-and-operated broadcast television stations, several national cable programming networks, a motion picture studio, international theme park businesses and online content businesses.⁴ Comcast would contribute its regional sports networks, other programming networks, and certain online businesses, as well as certain other assets used primarily in those businesses, to the Joint Venture. Comcast would not contribute its cable systems, its wireless holdings, or certain of its other online assets, such as Comcast.net and Fancast.⁵ The Joint Venture would be 51 percent owned by Comcast, 49 percent owned by GE, and managed by Comcast.⁶ It would take the NBCU name.⁷

According to the Application, and as set forth in the Applicants' December 3, 2009, Master Agreement, the creation of the Joint Venture would occur in several stages.⁸ At the time of the closing, and immediately prior to the contribution of businesses and assets to the Joint Venture by Comcast and GE, both Comcast and GE would effect certain internal restructurings of entities to be contributed to the Joint Venture.⁹ Certain of the steps in each of these internal restructurings would result in *pro forma* changes in control of FCC licensees.¹⁰ Following the internal restructurings, GE would acquire the 20 percent ownership interest in NBCU that it does not currently own from Vivendi SA.¹¹ Then, NBCU would borrow \$9.1 billion from third-party lenders and distribute the proceeds to GE (the "NBCU Dividend").¹² The contribution to the Joint Venture of NBCU, as well as certain other assets used primarily in NBCU's business, would then occur through a series of *pro forma* transfers of control.¹³ Comcast then would contribute its programming and certain Internet businesses to the Joint Venture,¹⁴ as well as make a cash payment to GE currently estimated to be \$6.5 billion,¹⁵ resulting in Comcast owning 51 percent of the Joint Venture and GE 49 percent.

At the closing, Comcast and GE would enter into an operating agreement for the Joint Venture (the "Operating Agreement"), which would provide for the management and governance of the Joint

³ By the time of closing, GE would own NBCU outright. Application at 11, App. 2 at 1.

⁴ *Id.* at i, 1-2.

⁵ *Id.* at 12.

⁶ *Id.* at 1, 12.

⁷ *Id.* at 1.

⁸ *Id.* at App. 3, which contains a copy of the Master Agreement.

⁹ *Id.* at 11.

¹⁰ *See id.* at App. 2, which describes the proposed transaction.

¹¹ *Id.* at 11.

¹² *Id.* at 12.

¹³ *See id.* at App. 2.

¹⁴ Formally, the Comcast content businesses would not be contributed to the Joint Venture directly but would be contributed to NBCU, which at that point would be a wholly-owned subsidiary of the Joint Venture. *Id.* at 12 n.6.

¹⁵ *Id.* at 12. The amount of both the NBCU Dividend and the cash payment by Comcast to GE would be subject to adjustment in certain circumstances. *Id.* at 12 n.7.

Venture.¹⁶ Pursuant to the Operating Agreement, the new company would be managed by an internal management board of directors initially consisting of three Comcast designees and two GE designees.¹⁷ The Operating Agreement would contain a list of approval rights reserved solely for the board of directors.¹⁸ Board decisions would be made by majority vote, provided that GE would have veto rights with respect to certain non-ordinary course matters.¹⁹ GE's veto rights would terminate if its ownership interest in the Joint Venture fell below 20 percent.²⁰ Jeff Zucker, current President and Chief Executive Officer of NBCU, has been selected to serve as the Joint Venture's initial Chief Executive Officer.²¹ In addition, for as long as GE directly or indirectly retained an ownership interest in the Joint Venture, the Joint Venture or its subsidiaries generally could enter into a transaction, agreement, or arrangement with Comcast or any of its affiliates only if the transaction was on arm's-length terms.²²

The Applicants assert that the proposed transaction would serve the public interest and promote the Commission's policy goals of diversity, localism, and competition.²³ They argue that the proposed transaction would be in compliance with statutory and regulatory requirements, including the Commission's media ownership rules and channel occupancy limits.²⁴ They deny the potential for public interest harms and contend that the antitrust laws and the Commission's current regulations, including the program access, program carriage, and retransmission consent rules, would serve as adequate safeguards against any anticompetitive behavior by the parties.²⁵ Nevertheless, the Applicants propose to be bound, upon Commission approval of the transaction, by 16 "voluntary public interest commitments" involving, among other things, increasing the amount and availability of local news and information programming, children's programming, Spanish programming, public, educational, or governmental (PEG) channel programming, and independent programming.²⁶ The Applicants also pledge to continue to provide free

¹⁶ *Id.* at 13 n.8. A copy of the draft Operating Agreement is provided in Appendix 4 to the Application.

¹⁷ *Id.* at 13-14. The internal management board would consist of Michael J. Angelakis, Stephen B. Burke, Jeffrey R. Immelt, Brian L. Roberts, and Keith S. Sherin. GE's representation right would be reduced to one director if GE's ownership interest in the Joint Venture fell below 20 percent, and GE would lose its representation right if GE's ownership interest in the Joint Venture fell below 10 percent, with Comcast designees replacing the outgoing GE directors. *Id.* at 14 n.9.

¹⁸ *Id.* at 14. These approval rights would include those for certain incurrences or repayments of debt, removal of the Chief Executive Officer or employees reporting directly to the Chief Executive Officer, certain acquisitions and dispositions, entering into certain non-ordinary course agreements, approval of new strategic plans, and material amendments to or departures from existing strategic plans and the company's annual budget. *Id.* at 14 n.10.

¹⁹ *Id.* at 14. These veto rights would include those for: (1) certain acquisitions; (2) material expansions of the Joint Venture's scope of business or purpose; (3) certain issuances or repurchases of equity; (4) certain distributions to equity holders; (5) certain debt incurrences; (6) certain loans made outside of the ordinary course of business; and (7) a liquidation or voluntary bankruptcy of the Joint Venture. *Id.* at 14 n.11.

²⁰ *Id.* at 14.

²¹ *Id.* In the event of a vacancy in the position of Chief Executive Officer within the first three-and-a-half years of operation of the Joint Venture, GE would have the right to veto up to two candidates proposed by Comcast. After two such vetoes, the Joint Venture's board of directors would have the right to select the Chief Executive Officer. *Id.*

²² *Id.* at 15-16.

²³ *Id.* at 36.

²⁴ *Id.* at 71-77.

²⁵ *See, e.g., id.* at 7-10.

over-the-air television for an unspecified period of time and to extend the “key components” of the program access rules to retransmission consent negotiations involving the signals of the NBC and Telemundo owned-and-operated television stations for as long as the current program access rules remain in effect.²⁷

ASSIGNMENT AND TRANSFER OF CONTROL APPLICATIONS

The file numbers and call signs of the Applicants’ facilities that are the subject of the applications to assign or transfer control to the Joint Venture are listed in the Attachment to this Public Notice. Interested parties should refer to the assignment and transfer of control applications for a listing of the licenses. Parties should be aware that additional applications may have to be filed to identify any additional licenses and authorizations in the services noted. The Applicants have requested that the Commission’s grant of consent to the assignment and transfer of control of the licenses include consent for the Joint Venture to acquire control of: (1) any authorizations or licenses issued to Comcast’s contributed subsidiaries or to GE’s contributed subsidiaries during the Commission’s consideration of the applications and the period required for the consummation of the transaction following approval; (2) construction permits held by licensees involved in the transaction that mature into licenses after closing and that may have been omitted from the applications; and (3) applications that will have been filed by such licensees and that are pending at the time of consummation of the proposed transaction.²⁸

EX PARTE STATUS OF THIS PROCEEDING

As this proceeding involves broad public policy issues, it will be treated as “permit but disclose” for purposes of the Commission’s *ex parte* rules.²⁹ Should circumstances warrant, this proceeding or any related proceeding may be designated as restricted. As a result of the permit-but-disclose status of this proceeding, *ex parte* presentations will be governed by the procedures set forth in section 1.1206 of the Commission’s rules applicable to non-restricted proceedings.³⁰

Parties making oral *ex parte* presentations are reminded that memoranda summarizing the presentation must contain the presentation’s substance and not merely list the subjects discussed.³¹ More than a one- or two-sentence description of the views and arguments presented generally is required.³² We urge parties to use the Commission’s Electronic Comment Filing System (ECFS), described below, to file *ex parte* submissions.

²⁶ *Id.* at 42, 43-44, 48-50, 68-69, 112-13. These commitments are listed in Appendix 8 to the Application.

²⁷ *Id.* at 40-41, 121, App. 8.

²⁸ *Id.* at 133-34.

²⁹ *See generally* 47 C.F.R. §§ 1.1200-1.1216.

³⁰ 47 C.F.R. § 1.1206. An *ex parte* presentation is any communication (spoken or written) directed to the merits or outcome of a proceeding made to a Commissioner, a Commissioner’s assistant, or other decision-making staff member, that, if written, is not served on other parties to the proceeding or, if oral, is made without an opportunity for all parties to be present. *See* 47 C.F.R. § 1.1202(b).

³¹ 47 C.F.R. § 1.1206(b)(2).

³² *Id.*

REQUESTS FOR *EX PARTE* MEETINGS

All requests for meetings with Commission staff regarding this Docket should be made online, using the link at <http://www.fcc.gov/transaction/comcast-nbcu.html>. Those who lack Internet access may direct their requests to Jessica Almond, Media Bureau, (202) 418-2721.

GENERAL INFORMATION

The applications for assignment and transfer of control of the licenses referred to in this Public Notice have been accepted for filing upon initial review. The Commission reserves the right to return any application if, upon further examination, it is determined to be defective and not in conformance with the Commission's rules, regulations, or policies.

Interested persons must file comments or petitions to deny no later than **May 3, 2010**. Responses to comments or oppositions to petitions must be filed no later than **June 2, 2010**. Replies to responses or oppositions must be filed no later than **June 17, 2010**. Persons and entities that file comments or petitions to deny become parties to the proceeding. They may participate fully in the proceeding, including seeking access to any confidential and/or highly confidential information that may be filed under a protective order.³³ Persons and entities that do not file petitions to deny, including those who file comments, may not seek reconsideration of the Commission's decision regarding the assignment or transfer of control of the licenses at issue nor appeal a final decision to the courts.

To allow the Commission to consider fully all substantive issues regarding the Application in as timely and efficient a manner as possible, petitioners and commenters should raise all issues in their initial filings. New issues may not be raised in responses or replies.³⁴ A party or interested person seeking to raise a new issue after the pleading cycle has closed must show good cause why it was not possible for it to have raised the issue previously. Submissions after the pleading cycle has closed that seek to raise new issues based on new facts or newly discovered facts should be filed within 15 days after such facts are discovered. Absent such a showing of good cause, any issues not timely raised may be disregarded by the Commission.

All filings concerning matters referenced in this Public Notice should refer to MB Docket No. 10-56, and if they pertain only to specific applications or matters, to the specific file numbers of the individual applications or matters as well.

Submissions in this matter may be filed electronically (*i.e.*, through ECFS) or by filing paper copies.

- Electronic Filers: Documents may be filed electronically using the Internet by accessing the ECFS: <http://fjallfoss.fcc.gov/ecfs2/>.
- Paper Filers: Parties who choose to file by paper must file an original and four copies of each filing. Filings may be sent by hand or messenger delivery, by commercial overnight courier, or

³³ On March 4, 2010, the Media Bureau released a Protective Order governing the review of confidential information submitted by the Applicants and others in this proceeding, and a Second Protective Order governing the review of highly confidential information so submitted by the Applicants. *Applications of Comcast Corporation, General Electric Company and NBC Universal, Inc.*, Protective Order, DA 10-370 (Med. Bur. Mar. 4, 2010), *Applications of Comcast Corporation, General Electric Company and NBC Universal, Inc.*, Second Protective Order, DA 10-371 (Med. Bur. Mar. 4, 2010).

³⁴ See Section 1.45(c) of the Commission's Rules, 47 C.F.R. §1.45(c).

by first-class or overnight U.S. Postal Service mail. All filings must be addressed to the Commission's Secretary, Office of the Secretary, Federal Communications Commission.

- All hand-delivered or messenger-delivered paper filings for the Commission's Secretary must be delivered to FCC Headquarters at 445 12th Street, S.W., Room TW-A325, Washington, D.C. 20554. All hand deliveries must be held together with rubber bands or fasteners. Any envelopes must be disposed of before entering the building.
- Commercial overnight mail (other than U.S. Postal Service Express Mail and Priority Mail) must be sent to 9300 East Hampton Drive, Capitol Heights, Maryland 20743.
- U.S. Postal Service first-class, Express, and Priority mail must be addressed to 445 12th Street, S.W., Washington, D.C. 20554.

In addition, one copy of each submission must be sent to the following:

1. The Commission's duplicating contractor, Best Copy and Printing, Inc., Portals II, 445 12th Street, S.W., Room CY-B402, Washington, D.C. 20554, telephone 1-800-378-3160, e-mail fcc@bcpiweb.com;
2. Jessica Almond, Media Bureau, Room 3-C828, e-mail Jessica.Almond@fcc.gov; and
3. Vanessa Lemmé, Industry Analysis Division, Media Bureau, Room 2-C313, e-mail Vanessa.Lemme@fcc.gov.

Any submission that is e-mailed to Best Copy and Printing, Jessica Almond, and Vanessa Lemmé should include in the subject line of the e-mail: (1) MB Docket No. 10-56; (2) the name of the submitting party; (3) a brief description or title identifying the type of document being submitted (*e.g.*, MB Docket No. 10-56, Comcast Corporation, *Ex Parte* Notice).

People with Disabilities. To request materials in accessible formats for people with disabilities (braille, large print, electronic files, audio format), send an e-mail to fcc504@fcc.gov or call the Consumer & Governmental Affairs Bureau at 202-418-0530 (voice), 202-418-0432 (TTY).

Availability of Documents. Documents in this proceeding will be available for public inspection and copying during business hours at the FCC Reference Information Center, Portals II, 445 12th Street, S.W., Room CY-A257, Washington, D.C. 20554. The documents may also be purchased from BCPI, telephone (202) 488-5300, facsimile (202) 488-5563, TTY (202) 488-5562, e-mail fcc@bcpiweb.com. The Application, as well as the economists' report filed by the Applicants on March 5, 2010, are also available electronically through the Commission's ECFS, which may be accessed on the Commission's Internet website at <http://www.fcc.gov>. Additional information regarding the proposed transaction will be available on the FCC's Office of General Counsel's Comcast-NBCU website, <http://www.fcc.gov/transaction/comcast-nbcu.html>, which will contain an unofficial listing and electronic copies of materials in this Docket.

Further Information. For further information, contact William Freedman, (202) 418-1415, Jennifer Tatel, (202) 418-1817, Marcia Glauberman, (202) 418-7046, or Jessica Almond, (202) 418-2721, of the Media Bureau. Press inquiries should be directed to Janice Wise, (202) 418-8165, of the Media Bureau. TTY: (202) 418-2555 or (888) 835-5322.

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ATTACHMENT

Part 25 – Satellite Communications Licenses

<u>File No.</u>	<u>Licensee/Registrant</u>	<u>Call Sign(s)</u>
Satellite Earth Stations		
SES-ASG-20100201-00147	TGC, Inc.	E050133
SES-ASG-20100201-00148	E! Entertainment Television, Inc.	E080069 E020009
SES-T/C-20100201-00149	The Comcast Network, LLC	E000423 E000360 E090030 E050129 E020281
SES-ASG-20100202-00150	NBC Telemundo License Co.	E020152 E870542 E980370 E980090 E980067 E960289 E940360 E940216 E060346 E873926 E870840 E870839 E870838 E870837 E860946 E860725 E860347 E860231 E090133 E090033 E070259 E070252 E070167 E070133 E070047 E060397 E990553 E060347 E060345 E060344 E060330 E060329

		E060328
		E060327
		E060326
		E060325
		E060324
		E060008
		E060006
		E050280
		E050139
		E4288
		E040464
		E040167
		E040097
		E020194
		E020193
		E020062
		E020061
		E010336
		E010105
		E000668
		E000667
		E000226
		E000129
		E000099
		E060193
		E873608
SES-T/C-20100201-00151	New England Cable News	E050107
		E940292
		E970108
SES-T/C-20100201-00152	Station Venture Operations, LP	E890143
		E030334
		E050232

Part 73 – Radio Broadcast Services Licenses

<u>File No(s).</u>	<u>Licensee</u>	<u>Call Sign</u>
BTCCDT-20100128AAG BTCCDT-20100128AAH BTCCDT-20100128AAI BTCCDT-20100128AAJ BTCCDT-20100128AAK BTCTT-20100128AAL BTCCDT-20100128AAM BTCCDT-20100128AAN BTCCDT-20100128AAO BTCCDT-20100128AAP BTCCDT-20100128AAQ BTCCDT-20100128AAR BTCCDT-20100128AAS BTCCDT-20100128AAT BTCCDT-20100128AAU BTCTT-20100128AAV BTCCDT-20100128AAW BTCCDT-20100128AAX BTCTT-20100128AAY BTCTT-20100128AAZ BTCTTL-20100128ABA BTCTTA-20100128ABB BTCDTL-20100128ABC BTCTVL-20100128ABD BTCCDT-20100128ABE BTCCDT-20100128ABF BTCCDT-20100128ABG BTCCDT-20100128ABH BTCCDT-20100128ABI BTCTT-20100128ABJ BTCCDT-20100128ABK	NBC Telemundo License Co.	WCAU(TV) WMAQ-TV WNBC(TV) WRC-TV WTVJ(TV) W58BU WVIT(TV) KNBC(TV) KNTV(TV) WNEU(TV) WNJU(TV) WSCV(TV) WSNS-TV KDEN-TV KHRR(TV) K28EY KNSO(TV) KSTS(TV) K15CU K46GF K52FF KEJT-LP KEJT-LP KMAS-LP KTAZ(TV) KTMD(TV) KVDA(TV) KVEA(TV) KWHY-TV K47GD KXTX-TV
BTCCDT-20100128ABL BTCCDT-20100128ABM	Station Venture Operations, LP	KNSD(TV) KXAS-TV
BTCCDT-20100128ABN BTCTTV-20100128ABO BTCTT-20100128ABP BTCTT-20100128ABQ	Telemundo of Puerto Rico	WKAQ-TV W09AT W32AJ W68BU
BTCCDT-20100128ABR	Telemundo Las Vegas License LLC	KBLR(TV)
BALCDT-20100128ABS BALCDT-20100128ABT BALCDT-20100128ABU BALCDT-20100128ABV	NBC Telemundo License Co.	WCAU(TV) WMAQ-TV WNBC(TV) WRC-TV

BALCDT-20100128ABW
BALTT-20100128ABX
BALCDT-20100128ABY
BALCDT-20100128ABZ
BALCDT-20100128ACA
BALCDT-20100128ACB
BALCDT-20100128ACC
BALCDT-20100128ACD
BALCDT-20100128ACE
BALCDT-20100128ACF
BALCDT-20100128ACG
BALTT-20100128ACH
BALCDT-20100128ACI
BALCDT-20100128ACJ
BALTT-20100128ACK
BALTT-20100128ACL
BALTT-20100128ACM
BALTTA-20100128ACN
BAPDTL-20100128ACO
BALTVL-20100128ACP
BALCDT-20100128ACQ
BALCDT-20100128ACR
BALCDT-20100128ACS
BALCDT-20100128ACT
BALCDT-20100128ACU
BALTT-20100128ACV
BALCDT-20100128ACW

WTVJ(TV)
W58BU
WVIT(TV)
KNBC(TV)
KNTV(TV)
WNEU(TV)
WNJU(TV)
WSCV(TV)
WSNS-TV
KDEN-TV
KHRR(TV)
K28EY
KNSO(TV)
KSTS(TV)
K15CU
K46GF
K52FF
KEJT-LP
KEJT-LP
KMAS-LP
KTAZ(TV)
KTMD(TV)
KVDA(TV)
KVEA(TV)
KWHY-TV
K47GD
KXTX-TV

Parts 90 and 101 - Private Land Mobile and Private Fixed Microwave Licenses

<u>File No.</u>	<u>Licensee</u>	<u>Lead Call Sign</u>
0004101576	Comcast SportsNet Mid-Atlantic, L.P.	WPWF842
0004101702	Comcast SportsNet Philadelphia, L.P.	WQAW846
0004105041	Versus, L.P.	WPTR291
0004106409	TGC, Inc.	WPWN254
0004106423	E! Entertainment Television, Inc.	WPVJ725
0004101711	Station Venture Operations, LP	WPQY246
0004101741	Telemundo of Puerto Rico	WQES973
0004101787	Telemundo Las Vegas License LLC	WQGR453
0004101864	Universal City Property Management II LLC	KD22853
0004101869	Universal City Development Partners, LTD	WNTH512
0004102148	NBC Telemundo License Co.	KB81618
0004102460	Universal City Studios LLLP	KB85978